

SUMMARY OF H. R. 13705

"To amend the Central Intelligence Agency Retirement Act of 1964 for Certain Employees, and for other purposes."

The purpose of H. R. 13705 is to update the Central Intelligence Agency Retirement Act to bring it in line with legislation approved for Civil Service and Foreign Service employees. Authority is also provided to exempt Agency employees from the provisions of the Federal Employees Pay Act.

The following summarizes the effect of each section of H. R. 13705 and its statutory precedent.

Definition "Child"

Section 1

This section eliminates the requirement that a child be dependent upon a parent participant in order to receive a survivor annuity; raises from 21 to 22 the maximum age for receiving survivor annuity payments as a student; increases from 4 to 5 the maximum months absence from school which may be permitted without terminating such a survivor annuity; and permits a natural child of a deceased participant to share in the distribution of any money or deposit in the CIA Retirement and Disability Fund which belongs to the deceased participant. Identical changes in the Civil Service retirement system were approved by the 89th Congress.

Computation of Annuities

Section 2

This section increases the number of years service that may be included in computing the annuity of an individual from 35 to 40 years. This will permit payment of annuities up to the same ceiling that applies to Civil Service retirement annuities. An identical change in the Foreign Service system was approved by the Senate in June and is now pending before the House.

Widow's Annuity

Section 3

This section permits the annuity of a widow or a dependent widower to continue in the event of remarriage. This is identical to the law applicable to survivor annuitants under the Foreign Service retirement system. It is also similar to changes made by the 89th Congress in the Civil Service retirement system permitting the annuity to continue in the event of remarriage at age 60, which is ten years lower than the general mandatory retirement age of 70. The CIA and Foreign Service retirement systems provide for a general mandatory retirement age of 60, which is ten years lower than the mandatory retirement age under the Civil Service retirement system.

Child's Annuity

Section 4

This section makes a technical change to permit the resumption of a previously terminated child survivor annuity. An identical change in the Civil Service retirement system was approved by the 89th Congress.

Annuity Commencement Date

Section 5

This section makes a technical change to authorize the commencement of an annuity as soon as the individual enters a nonpay status rather than the first day of the following month. The Civil Service retirement system operates under an identical provision.

Transfer of Contributions

Section 6

This section permits the transfer to the CIA fund of the Government's contributions as well as the employee's contributions upon the employee's direct transfer from some other Government retirement system to the CIA retirement system. In addition, it authorizes the transfer from the CIA fund of the employee's and the Government's contributions whenever a participant by direct transfer becomes an employee under another Government retirement system. It is a new authority in Government. The Civil Service Commission is wholly in accord with this change.

Reemployment of Annuitants

Section 7

This section permits an annuitant retired under the Central Intelligence Agency Retirement Act to receive his full salary upon reemployment in another Federal Government service subject to a maximum limitation of combined salary and annuity equal to his salary at the time of retirement. When the ceiling is exceeded the annuity is reduced by the amount of the excess. When the salary of the new position equals or exceeds the salary at the time of retirement no annuity is paid and the individual is entitled to his full salary. This is identical to the Foreign Service retirement system provision. It is less liberal than the Military retirement provisions in that a retired Military reservist can retain both his civilian salary and his entire annuity and that a retired Regular officer can retain his salary plus the first \$2,000 of his annuity and 50 percent of the balance of it.

Cost-of-Living Adjustments

Section 8

This section brings the Agency's cost-of-living provision into line with provisions which currently apply to Civil Service and Military retirees. It increases existing annuities so that they are equivalent to increases already granted to Civil Service retirees. It also assures that future increases will be in phase with and equal to those granted under the Civil Service retirement system. Provision is made for offsetting cost-of-living increases in force and effect under current law prior to enactment of this bill. A similar change in the Foreign Service system was approved

by the Senate in June and is now pending before the House. With these changes the major retirement systems, Civil Service, Military, Foreign Service, and CIA, will have common cost-of-living adjustment of annuities provisions.

Federal Employees Pay Act

Section 9

This section specifically excludes officers and employees of the CIA from the premium pay provisions of the Federal Employees Pay Act of 1945, as amended. Thirteen specific exclusions now exist in the law. CIA officers and employees are now excluded from these premium pay provisions by regulation of the Civil Service Commission, but not by law. This section would exclude them by law.